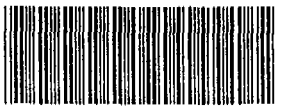

EG&G ROCKY FLATS

INTEROFFICE CORRESPONDENCE

DATE: February 17, 1991 DLS-TEC3-91

TO: V. L. Piers, Purchasing, Bldg. 131, X7556

FROM: D. L. Shear, Remediation Programs Division, T130B, X5976

SUBJECT: TECHNICAL EVALUATION OF RIEDEL ENVIRONMENTAL SERVICES PROPOSAL FOR ASC 89882WS, MODIFICATION NO. 1

Attached please find the technical evaluation of the CPFF proposal for Modification No. 1 to Letter Contract ACS 89882WS. All costs suggested to be reduced for the proposal include the overhead and G&A. Please feel free to contact me with any questions that may arise.

plf

Attachment:
As Stated

cc:
T. C. Greengard

TECHNICAL EVALUATION

1.0 INTRODUCTION

This technical evaluation addresses the proposal submitted by Riedel Environmental Services (RES) for the operation and maintenance of the Operable Unit No. 2 Granular Activated Carbon (GAC) treatment system under Service Agreement ACS 89882WS Modification No. 1.
The recommended reductions in labor hours and costs are presented under the corresponding sections of the RES proposal. Calculations are included in the attached spreadsheet.

2.0 REVIEW

The RES proposal addresses all tasks called for in the addendum to the original scope of work. Comparative pricing of materials and equipment is provided in sufficient detail to be reasonable and accurate.

The addendum originally called for GAC operations to occur in one 12-hr shift, 7 days/wk. RES has instead structured their proposal for two 12-hr shifts, 7 days/wk, effectively doubling the total costs. EG&G does not support this portion of the proposal and will not permit funds to be spent in this manner.

The attached spreadsheet outlines the preferred sequence of GAC operations for the contract period of April 2, 1991 to June 2, 1992, a total of 425 days (60.7 weeks). All original RES costs, 99.11% overhead, 7.29% G&A, and 9% fixed fee are included in the calculations.

Costs may be reduced in the following sections of the RES proposal:

1.0 Preparation of Plans
Section 1.3: Quality Assurance Project Plan

This document is to be a clarification of the present site-wide EG&G QAPP. Previous communication with RES has indicated that this document is to consist of no more that 10-15 pages. An outline of the specific items to address as strictly Quality Assurance Addenda to the site-wide QAPP has been transmitted to RES. 40 hours of preparation is excessive for the end product and should be reduced to 20 hours for the Project Manager.

2.0 Collection and Transport System
Section 2.3: Labor Requirements

RES states that an additional 20 hours each is required of the Project Manager and Chemical Engineer for the revisions needed in the design submittal process. The first proposal had scheduled both individuals at 60 hrs/week for 11 weeks, which was already unrealistic. The additional 20 hours for the Project Manager and Chemical Engineer should not be allowed, or should at least be cut in half for each individual.

3.0 GAC Operations and Staffing
Section 3.2: Staffing Requirements

The total period of operation is 60.7 weeks. The attached spreadsheet outlines an operation sequence as follows:

Week 1-3: 5 12-hr shifts
2 24-hr shifts
Total = (9) 12-hr shifts

Week 4-60.7: 6 12-hr shifts
1 24 hr shift
Total = (8) 12-hr shifts

The 24-hour shifts are required for EPA-driven composite sampling. At the end of a single 12-hr staffed shift, the GAC system is to continue operating unmanned. An example of the unmanned operations would be batching influent water in the holding tank.

Based on this, the total hours scheduled for management, process engineering, operations, cost tracking, and secretarial services should generally be cut in half. RES has proposed (14) 12-hr shifts per week, whereas EG&G requires an average of (8) 12-hr shifts per week. Portions of the staffing are therefore recommended to be reduced by a factor of 8/14, or 0.57.

The individual hours to be reduced and the category costs are itemized as follows:

Project Manager
RES' proposal of 60 hrs/wk for 60.7 weeks of operation for the Project Manager is excessive.

This cost item should be reduced to 30 hrs/wk on the basis that 1) the GAC operation period is half of what RES originally proposed and the tasks associated will be half, and 2) current RES commitments to the RFP ponds treatment project are foreseen to interfere with the proposed 60 hrs/wk commitment to this project.

Total hrs = 1821.

Chemical Engineer
A separate contractor will be tasked to provide the majority of process engineering required for not only the GAC system, but additional units that will be used to treat the radionuclides and heavy metals. Therefore, 10 hrs/wk for the Chemical Engineer's services are unacceptable. This should be reduced to 7 hrs/wk for the first 15 weeks of operation and 5 hrs/wk for the remaining 46 weeks when the second contractor is expected to provide engineering services to EG&G.

7 hrs/wk x 15 wks	=	105 hrs
5 hrs/wk x 46 wks	=	230 hrs

Total	=	335 hrs

Senior Management
The scheduled 4 hrs/wk should be cut to 2.5 hrs/wk for 60.7 weeks, for a total of 152 hours.

Cost Technician
The scheduled 2 hrs/day should be cut to 1 hr/day for 425 days, for a total of 425 hours.

Operator and Technician
Of the previous suggested labor cuts, <u>this is most essential</u>. An average of (8) 12-hr shifts per week yields a total of 97 hr/wk per operator and technician. Two operators and two technicians may be utilized, at 40 hrs Straight Time (ST) and 8.5 hrs Overtime (OT) each. The attached spreadsheet indicates the EG&G-estimated operation times and costs.

Operator
2 each
ST: 40 hr/wk x 60.7 wks = 2428 hrs each
OT: 8.5 hr/wk x 60.7 wks = 516 hrs each

Technician
2 each
ST: 40 hr/wk x 60.7 wks = 2428 hrs each
OT: 8.5 hr/wk x 60.7 wks = 516 hrs each

4.0 Equipment

Section 4.1: RES Equipment

The RES calculations for hours and costs of the van and pickup usage are incorrect. The following changes are recommended:

Van
The necessity of an estimated van usage at 60 hrs/week is excessive and should be reduced. If the van will be solely dedicated to EG&G usage, then a commercial cost plus 15 %, or at most, 34 hrs/week for 60.7 weeks is recommended.
Total usage = 2064 hrs.

Pickup
The hours for pickup usage are also to be reduced to 6 hrs/day for 425 days due to the halved operation times.
Total usage = 2550 hrs.

Section 4.2: Rental Equipment

Generator
Power availability to the site has been estimated by EG&G for 2/1/92. Therefore, 3 to 4 months of generator rental and maintenance can be cut from the RES proposal.

5.0 Materials/Equipment Purchases

Fuel - Generator
A reduction in fuel consumption by the generator must be included with the reduced need for generator rental. An average of 3.5 months is estimated, at 4 wks/month. This should reduce the fuel consumption by 32,930 gallons.

Fuel Tank
RFP HSP 32.06 stipulates that "...temporary above ground fuel storage tank capacities shall not be greater than 500 gallons." RES proposes to use a 1,000-gallon double-walled tank, which is unacceptable. A 500-gallon double walled fuel tank must be purchased instead, at a cost approximated to be 75% of the original. However, additional costs must be allowed for RES to transport fuel to the tank twice as often.

Personal Protection
Saranex coveralls
5/shift x 489 shifts = 2445

Nitrile Gloves
5/shift x 489 shifts = 2445

Miscellaneous Items
This cost must be detailed; it is unacceptable as presented and cannot include additional tools, spare parts, maintenance, and repair costs.

3.0 SUMMARY

The costs for items (or portions thereof) that have been indicated in the spreadsheet are suggested to be eliminated from the total cost of the RES proposal. Based on these estimates, the total reduction in the proposed cost including 9% Fixed Fee is $ 727,684.05.

4.0 CONCLUSION

It is recommend that the Riedel Environmental Services CPFF contract for the GAC operations and maintenance activities be negotiated for the difference between the proposed cost and suggested cuts for a total of $ 1,409,694.26.